

HOUSING NEEDS ANALYSIS

BELLEVUE COMPREHENSIVE PLAN UPDATE

City of Bellevue
Planning Commission &
Human Services Commission

March 13, 2013



Discussion Outline



- I. Demographic and Housing Trends:
 - A. Demand for Housing
 - 1. Employment
 - 2. Demographics
 - B. Housing Supply.
 - C. Results to Date.
- II. Bellevue: Neighborhood Issues /Opportunities:
 - A. Neighborhood issues.
 - B. Previous efforts.
- III. Examples of Housing Strategies

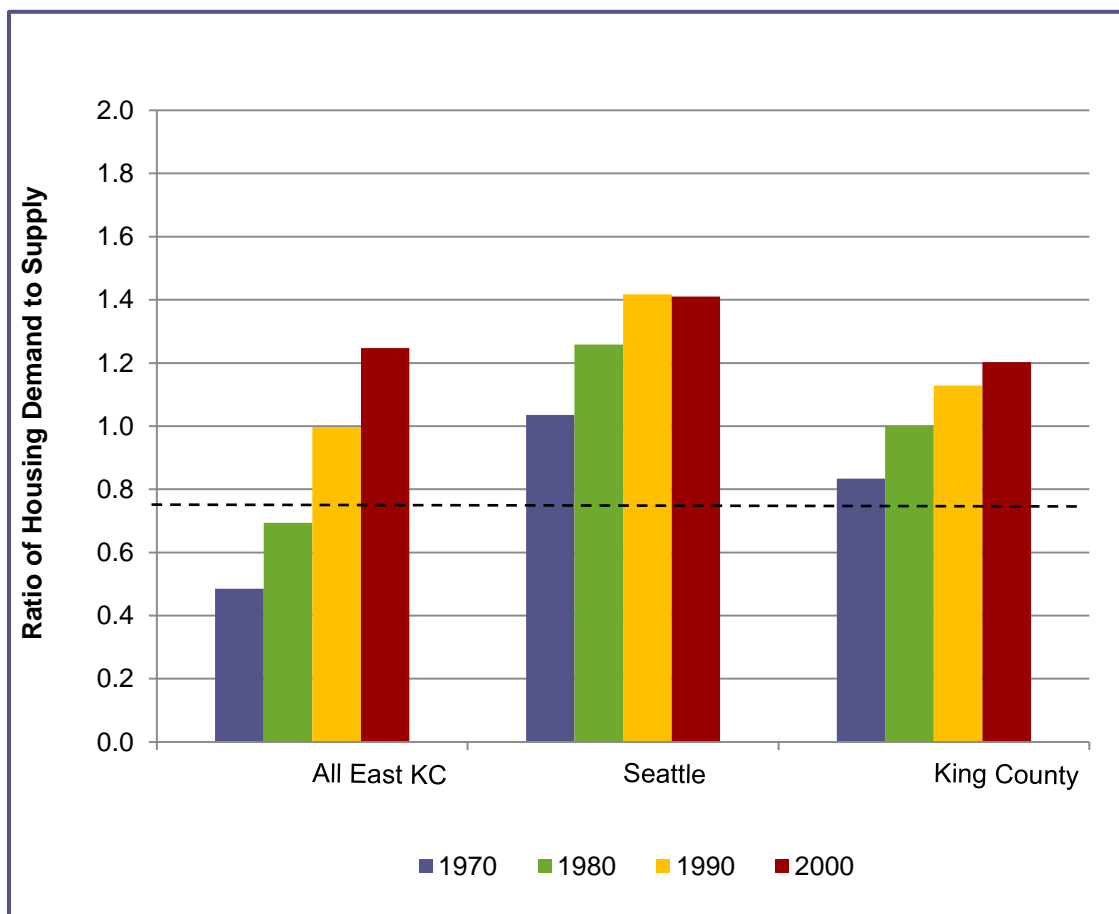
Affordability Guidelines (2013)



	1 Person (Studio)	2 Persons (1-bedroom)	4 Persons (3-bedroom)
VERY LOW INCOME (30% Median Income)			
Household Income	\$18,207	\$20,808	\$26,010
Rental	\$455	\$520	\$650
LOW INCOME (50% Median Income)			
Household Income	\$30,345	\$34,680	\$43,350
Rental	\$759	\$867	\$1,084
MODERATE INCOME (80% Median Income)			
Household Income	\$48,552	\$55,488	\$69,360
Rental	\$1,214	\$1,387	\$1,734
Owner	\$182,000	\$207,500	\$258,000
2013 Median Family Income (Family of 4)		\$86,700	

Existing conditions: Employment and Income

Jobs-housing Balance: 1970-2006

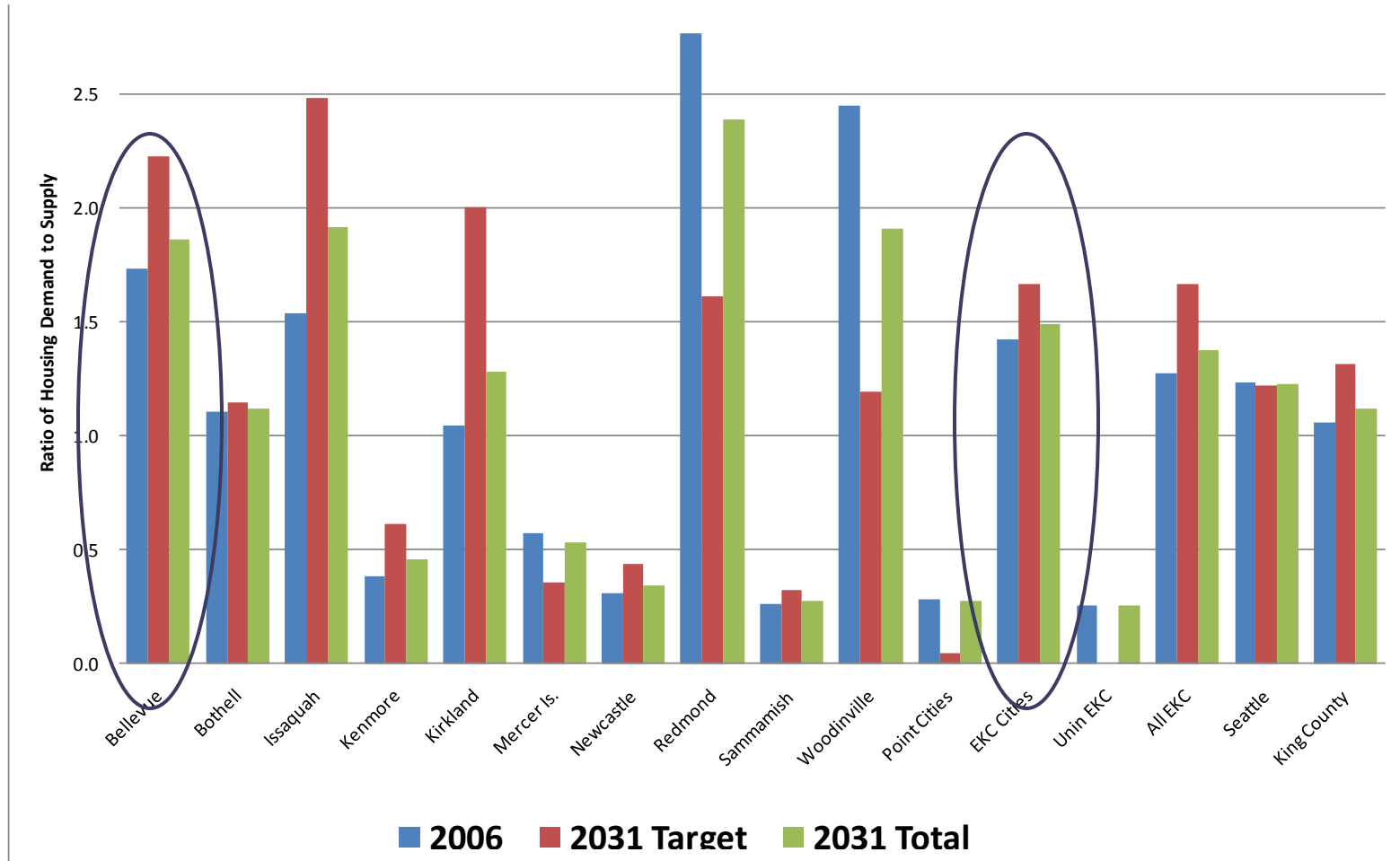


Over the last 30 years, East King County has seen a steady increase in demand for housing from local employment.

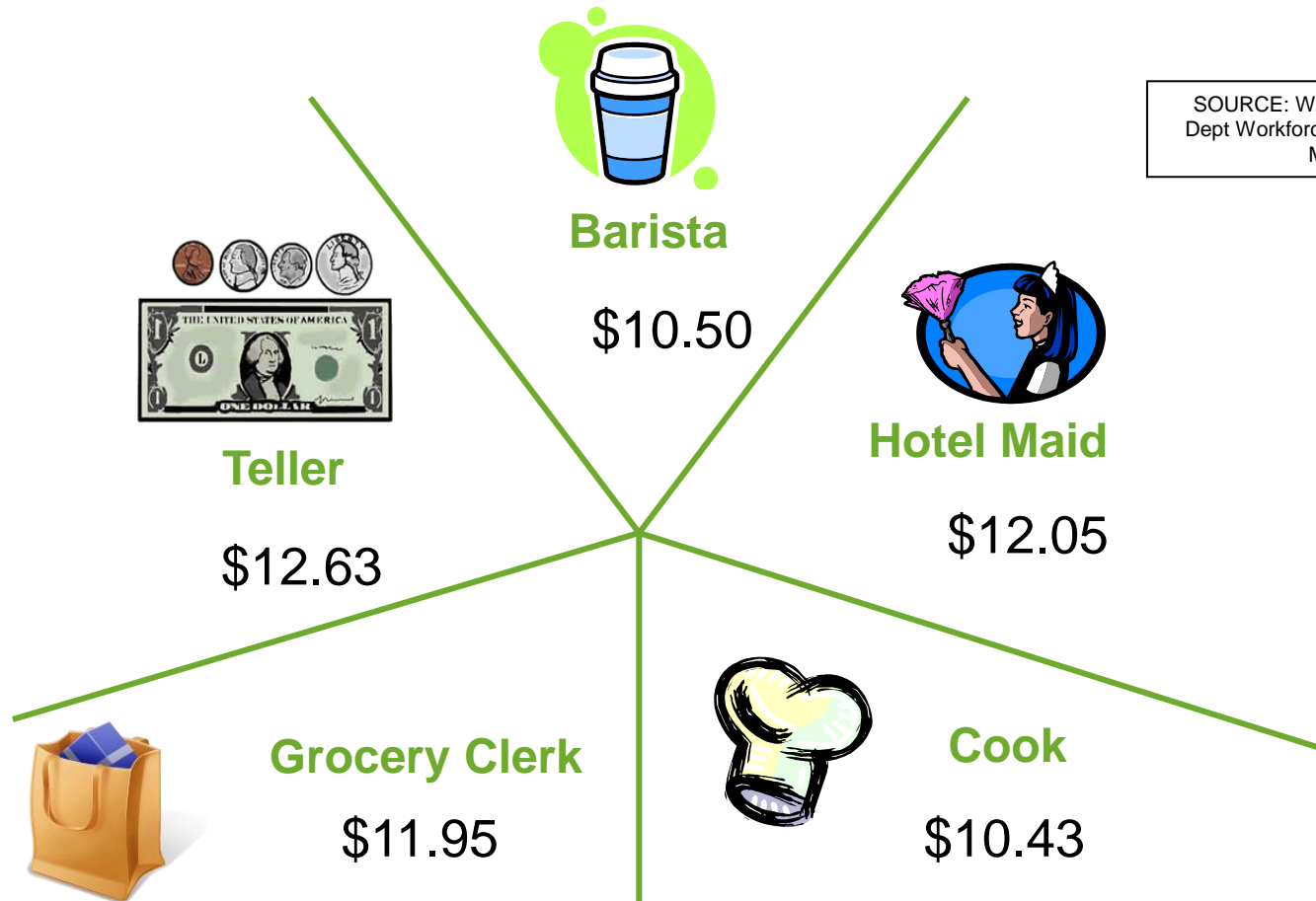
Demand for housing from employment now exceeds supply (jobs-housing ratio > 1), and based on planning targets, that ratio could increase.

Jobs-housing Balance: 2006-2031

Appendix, Exhibit I



EKC residents making less than \$15 per hour

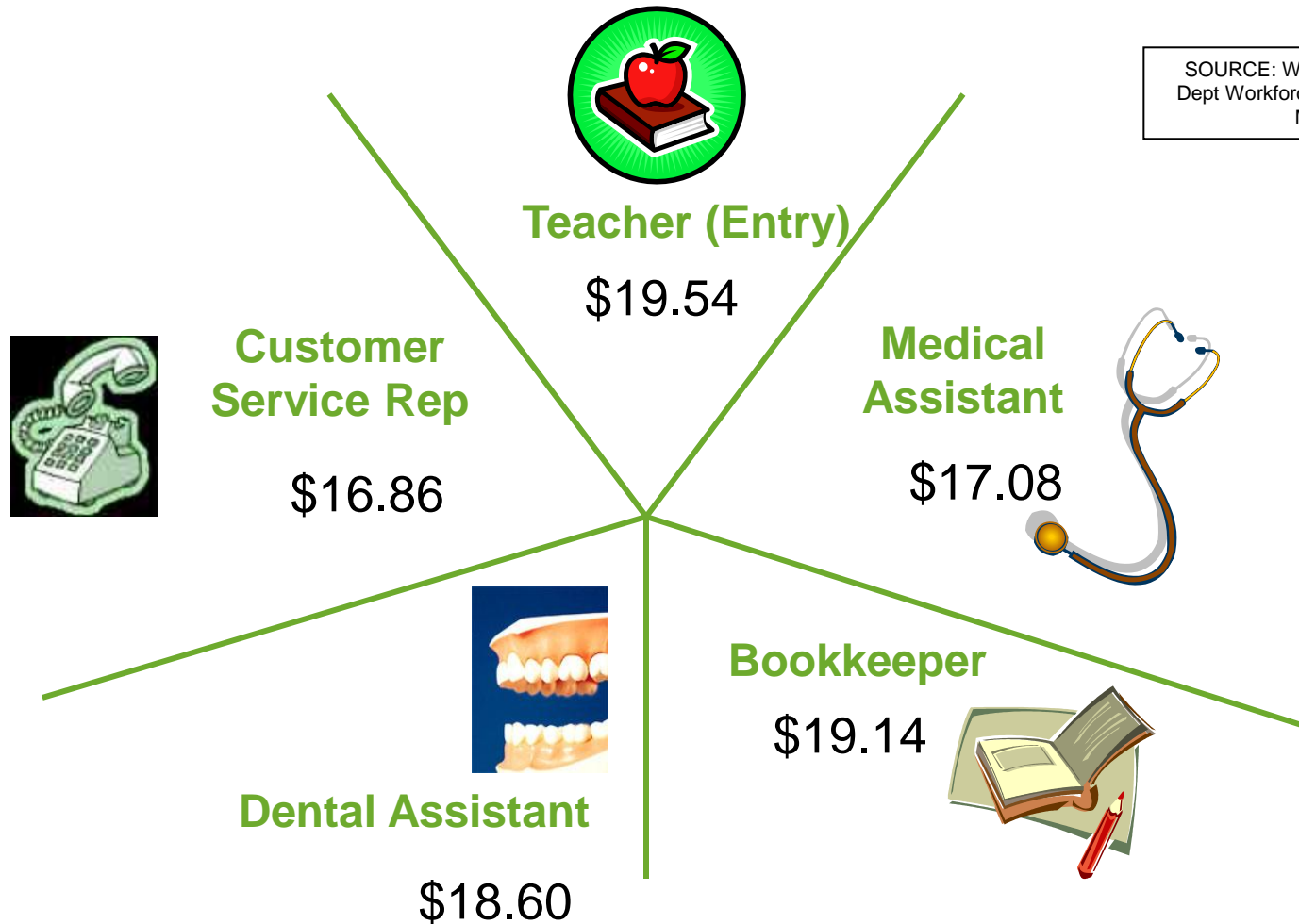


SOURCE: WA Employment Security
Dept Workforce Explorer: King County
March 2011

EKC residents making less than \$20 per hour



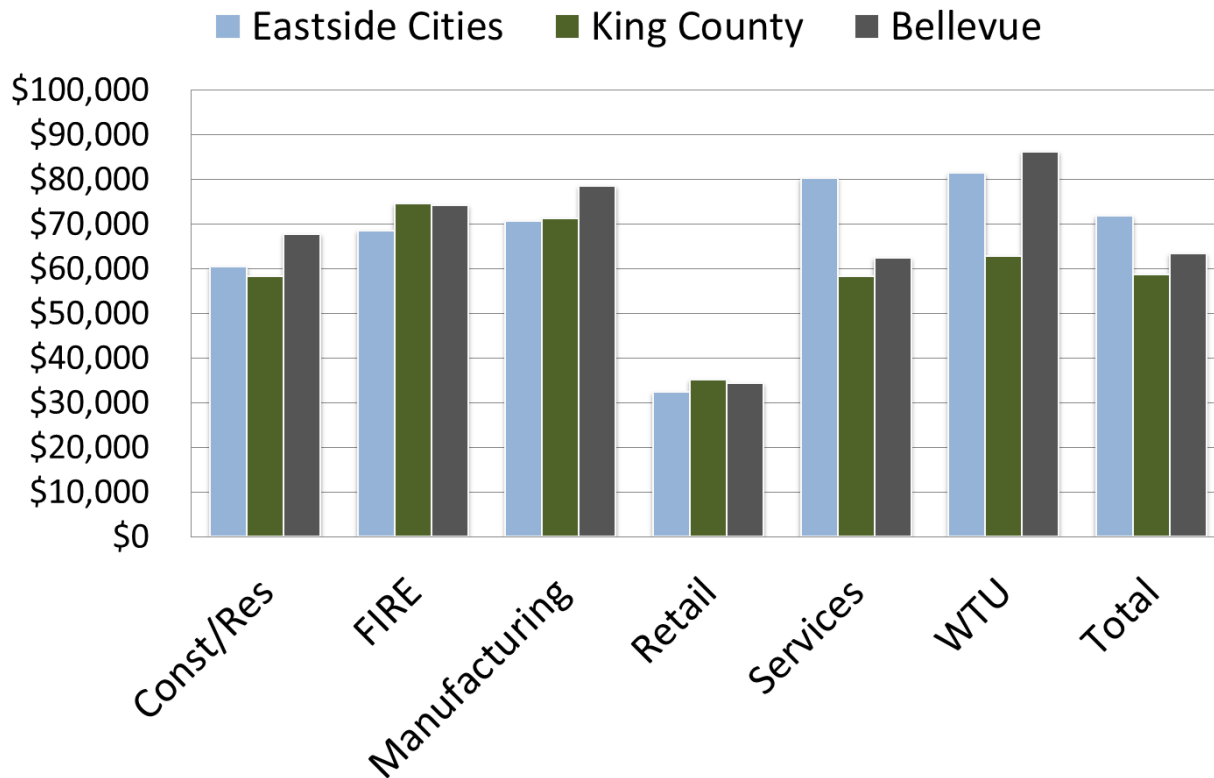
SOURCE: WA Employment Security
Dept Workforce Explorer: King County
March 2011



Wages by Sector



Average Private-Sector Wages, 2008



Bellevue's wages are similar to the King County averages in all but the WTU sector.

East King County Trends

Employment & Income



Jobs–Housing Relationship:

- Issaquah employers rank housing affordability as the number one issue to recruit and retain employees.
- Over one-third of Issaquah employees have a difficult time recruiting for some positions. Swedish Hospital and Timber Ridge, for example, both cited the need for nurses. Issaquah retailers and service industries referenced a lack of applicants with good customer service and communication skills.

(Issaquah Business Community Survey, 2012)

East King County Trends: Employment & Income & Summary Findings



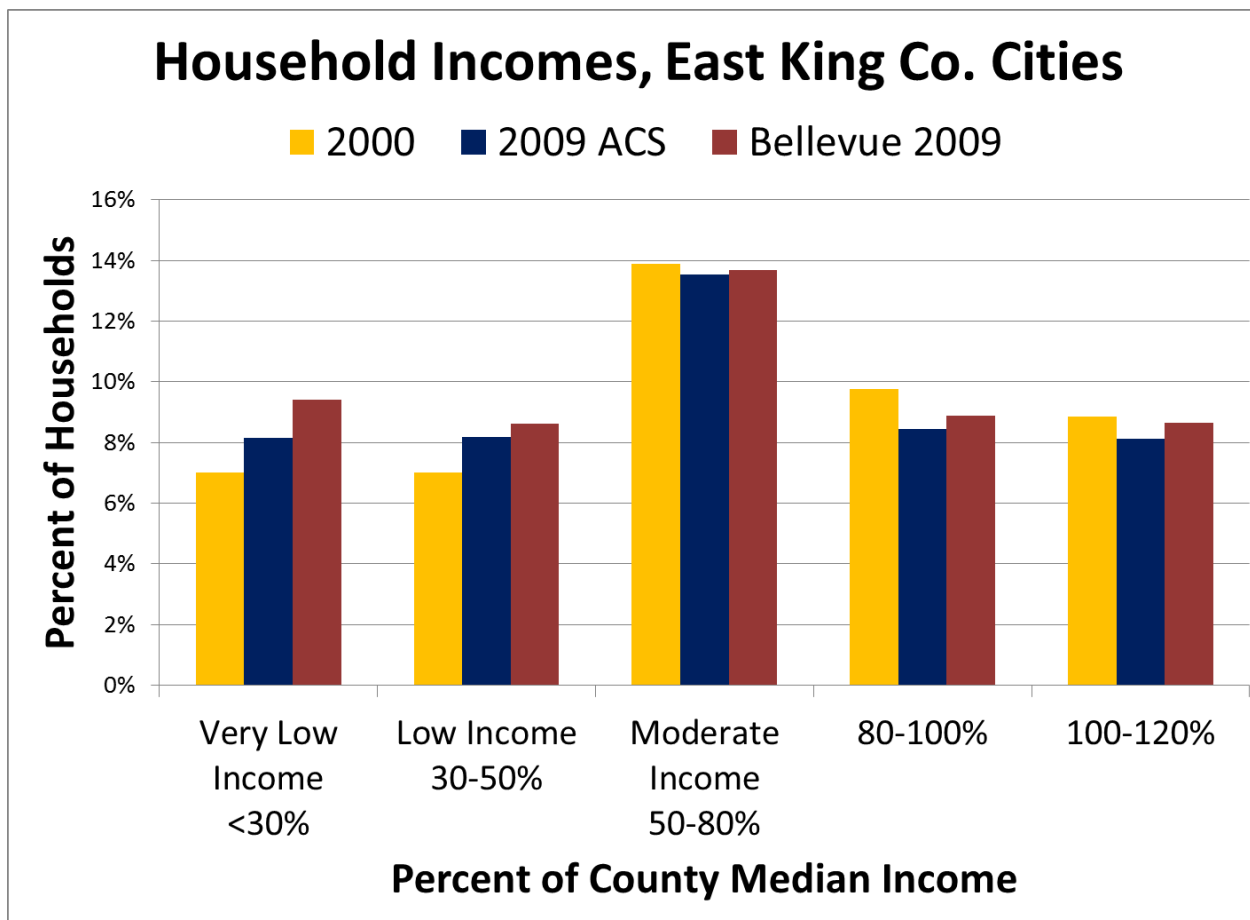
Jobs–housing Balance

- The Jobs-housing “imbalance” creates an excess demand for housing relative to local supply.
- The local workforce includes many moderate and lower paying jobs.
 - Impacts the total demand for housing and need for diversity and affordability of housing that matches the needs of the workforce.
 - May contribute to the relatively low portion of the East King County workforce that lives in East King County (~50% compared to ~75% in Seattle).

East King County Trends: Economic Segments Summary Findings



Increasing Low-Income Population:



The percentage of the population that is very low-income (<30%) and low-income (50% median income) has increased both in East King County and countywide.

East King County Demographic Trends: Summary Finding



Stabilizing/Maturing Communities:

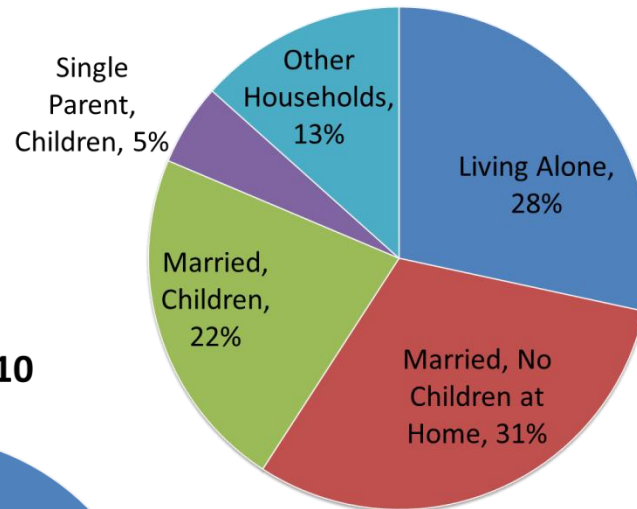
- Demographic patterns in East King County cities are becoming more similar to countywide figures. Also, there was not as significant a shift in items such as household type and senior population as there have been in previous decades.

Provide for all Household Types

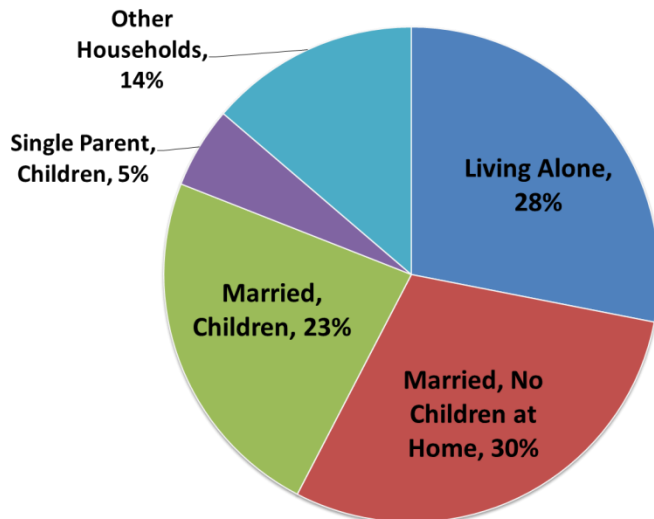
Household Types



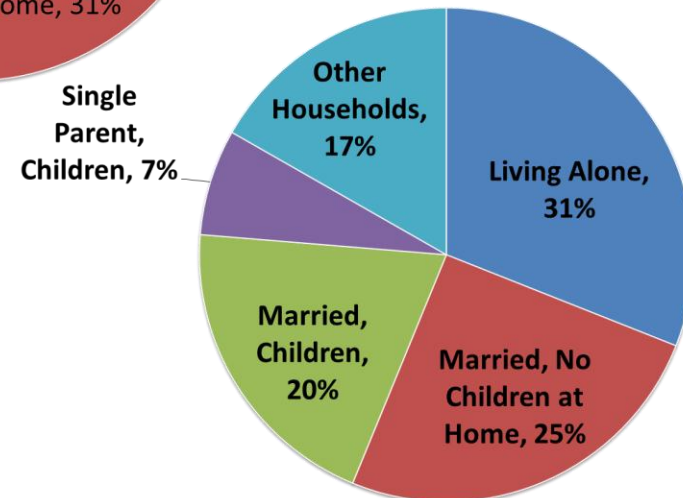
Bellevue, 2000



Bellevue, 2010



King County, 2010



East King County Trends: Household Types Summary Findings

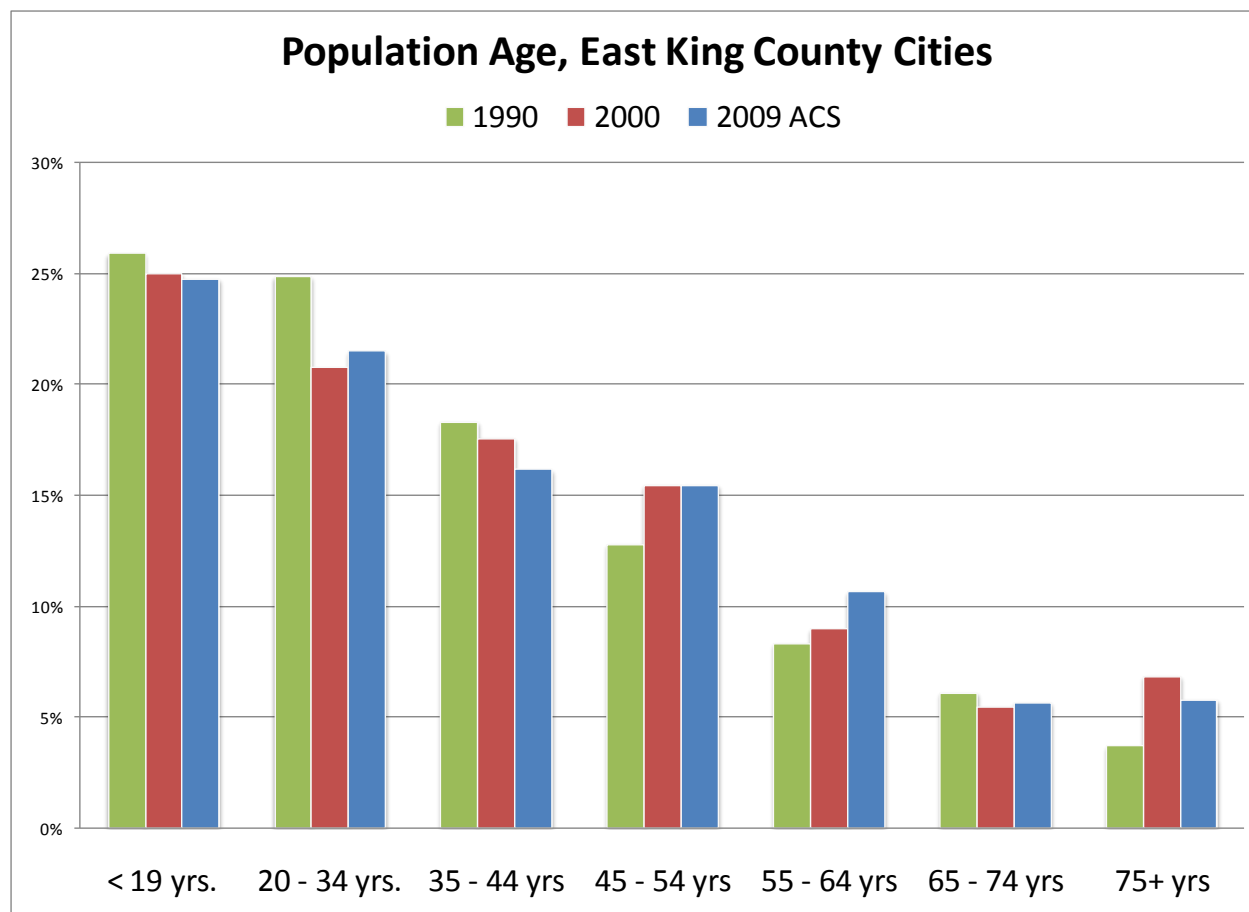


Small Households:

The high proportion of one- and two-person households may support more non-traditional forms of housing as a way to increase housing diversity and affordability.

- Accessory dwelling units.
- Multiplexes and cottages.
- Other innovative forms of housing especially near transit.

East King County Age Distribution



The proportion of seniors (over age 65) in East King County is greater than the countywide proportion.

About 1/2 of seniors are over age 75.

East King County Trends: Age Distribution Summary Findings



Senior Population:

The proportion of seniors did not change significantly over the last decade. However, the proportion of seniors can be expected to increase over the next 10 – 20 years.

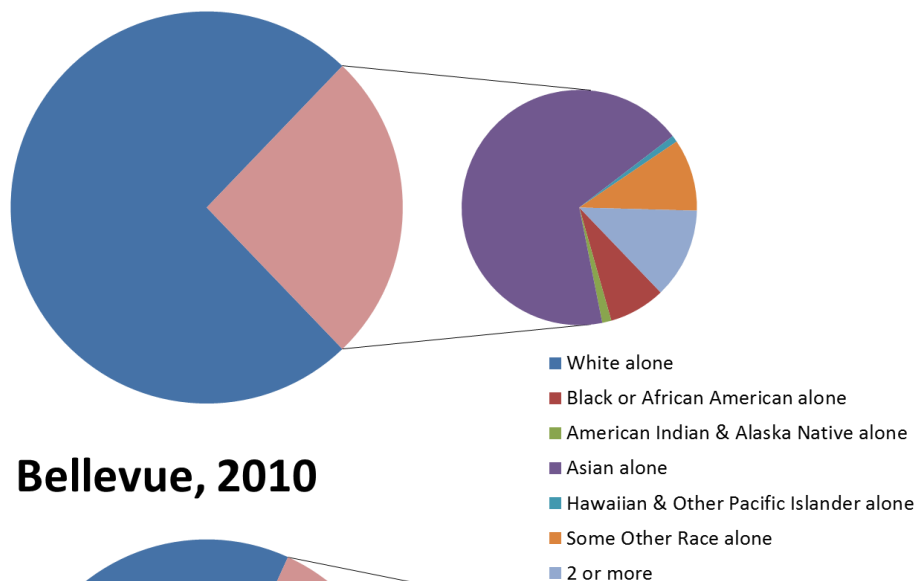
Potential housing implications:

- Some portion of seniors have specialized housing needs, especially older seniors (over age 75), which are half of the senior population.
- For seniors who rent, a relatively high proportion are cost-burdened.

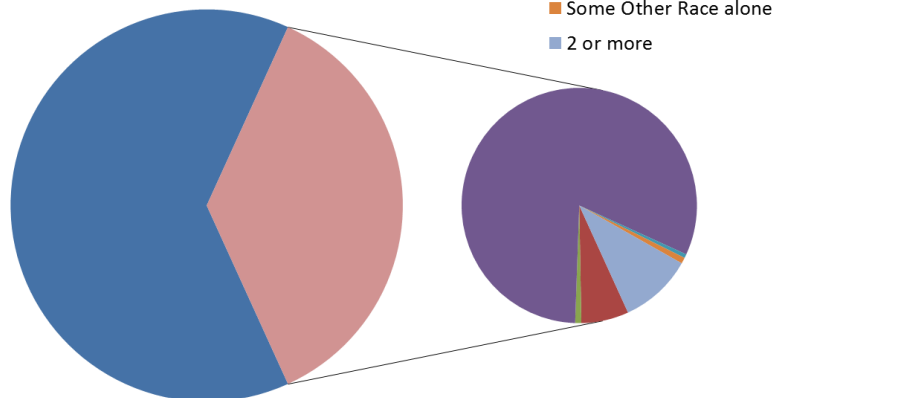
Ethnicity/Foreign-born



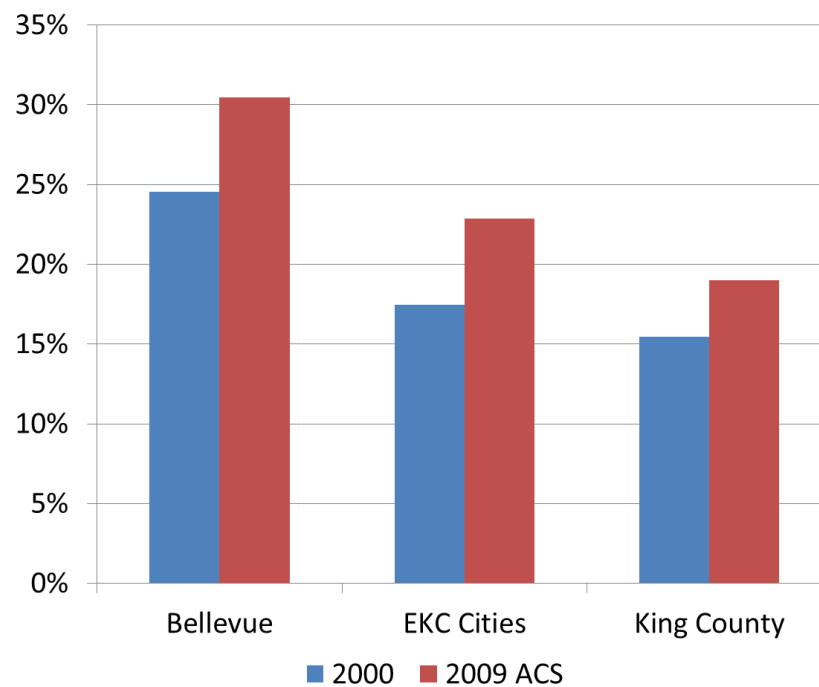
Bellevue, 2000



Bellevue, 2010



Foreign-born Population



East King County Trends: Ethnicity/Foreign-born Summary Findings



Ethnic Diversity:

- The increased ethnic diversity should lead to housing and human services programs that are sensitive to the increased diversity in communities, especially for linguistically challenged households.

Homelessness



Did you know...?

- Approximately 17% of homeless single adults are from the Eastside.
- In January 2007, 223 households living in emergency shelter or transitional housing reported that their last address was in East King County.

“The greatest economic and social costs in not addressing the homeless youth population are long-term. The potential increases for incarceration, emergency hospital and long-term care, and welfare assistance. Early intervention approaches are clearly an investment worth the cost.” – *Susan Levine, City of Seattle Human Services Dept.*

East King County Homeless Plan



Families

Existing 2005:	135 Units
Needed:	930 Units
Added 2006 – 2010:	~115 Units



Single Adults

Existing 2005:	30 Shelter Beds
Needed:	815 Units
Added 2006 – 2010:	~140 Units

Youth and Young Adults

Existing 2005:	64 Units
Needed:	92 Units
Added 2006 – 2010:	31 Units



Eastside Homeless Housing Efforts



Congregations for the Homeless scattered site family housing for single men.

Similar units are available for single women (Sophia Way), young adults (Friends of Youth) and victims of domestic violence (Lifewire).

Eastside Homeless Housing Efforts



The Sophia's Way women's shelter at St. Luke's Lutheran Church, Bellevue.

Eastside Homeless Housing Efforts



Imagine Housing: Andrews Glen, Factoria

Combination of permanent affordable and homeless units, including homeless units reserved for veterans.

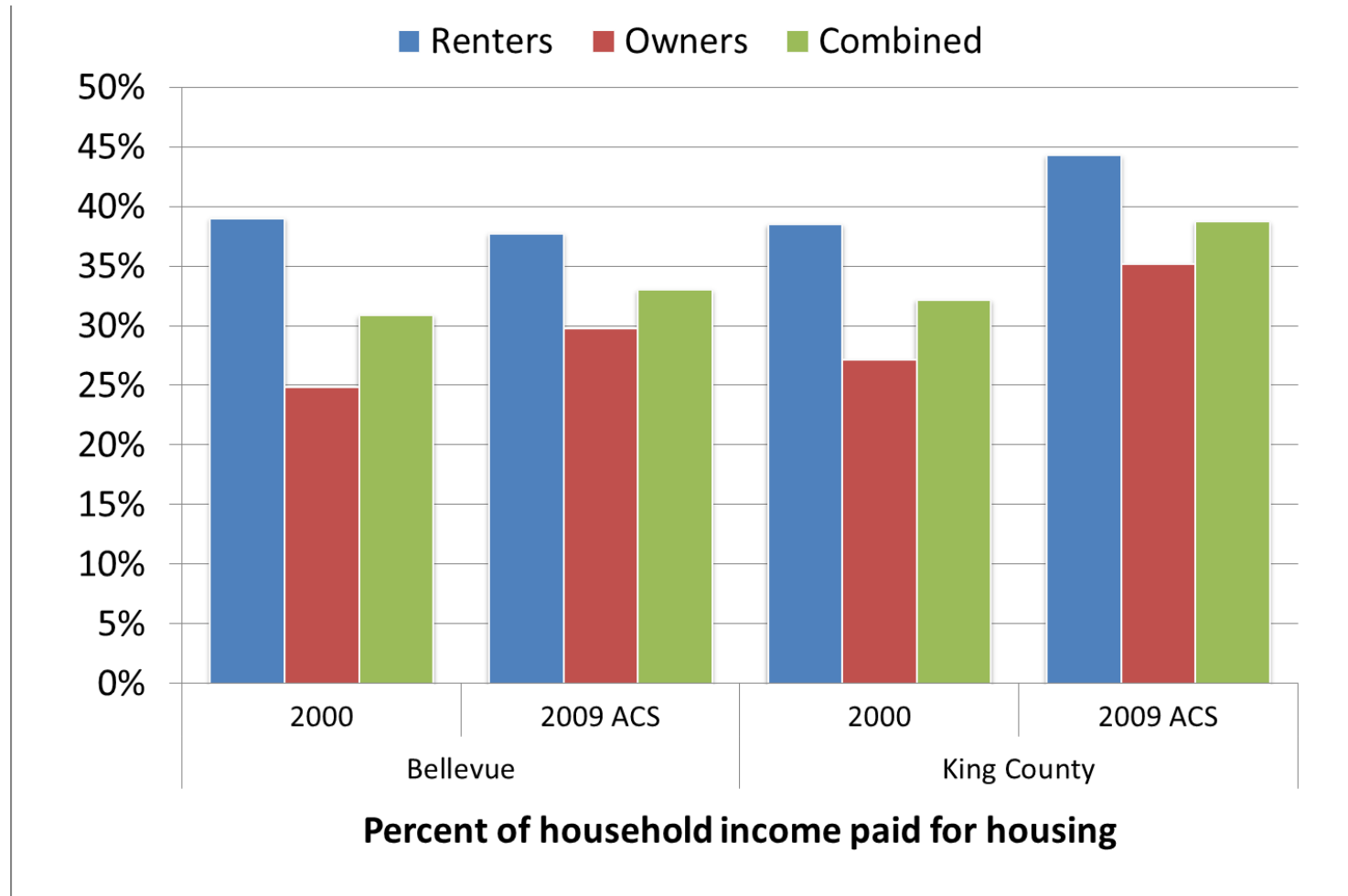
East King County Trends:



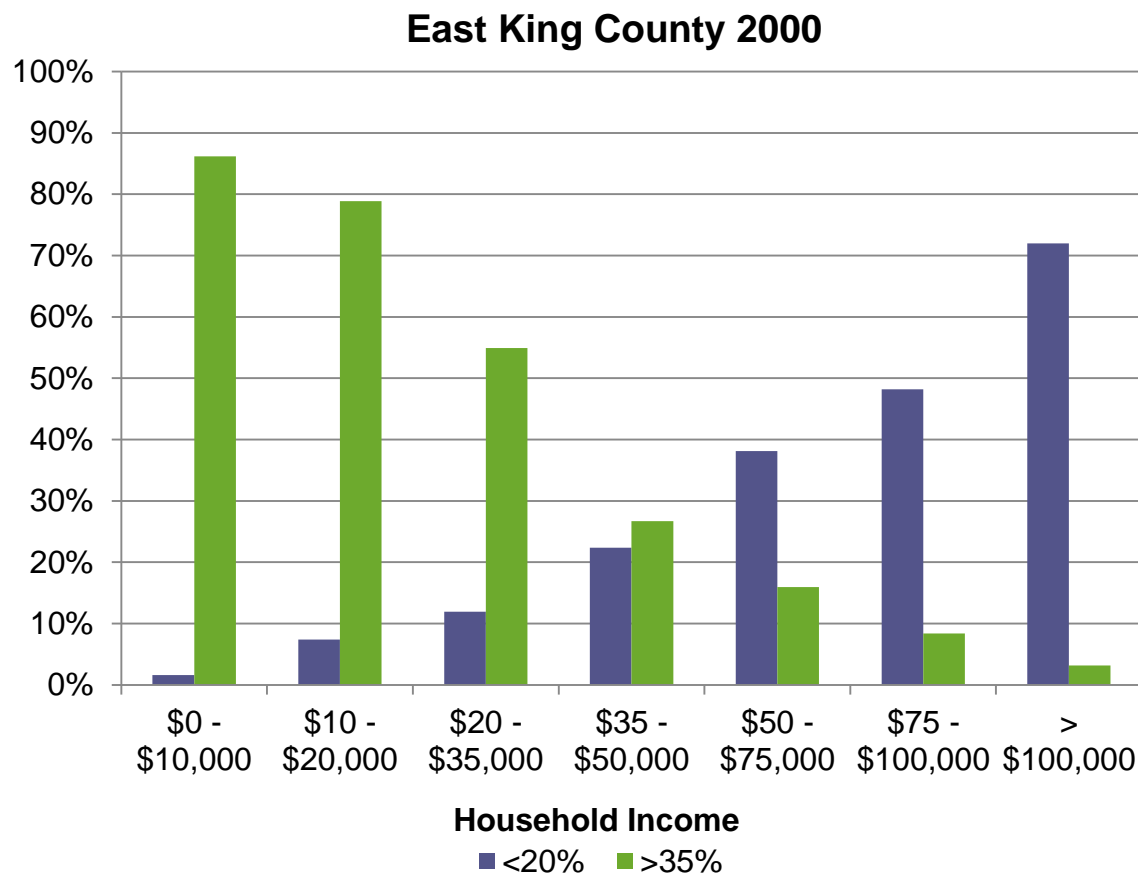
Cost-burdened Households:

- Cost burdened is defined as paying more than 30% of income for housing.
- A large portion of very-low and lower-income households are cost-burdened.
- The largest portion of cost burdened households are younger and older renters.
- Most cities saw an increase in cost-burdened households since 2000, but Bellevue's overall rate for renters remained essentially the same.

Cost-burdened Households by Tenure

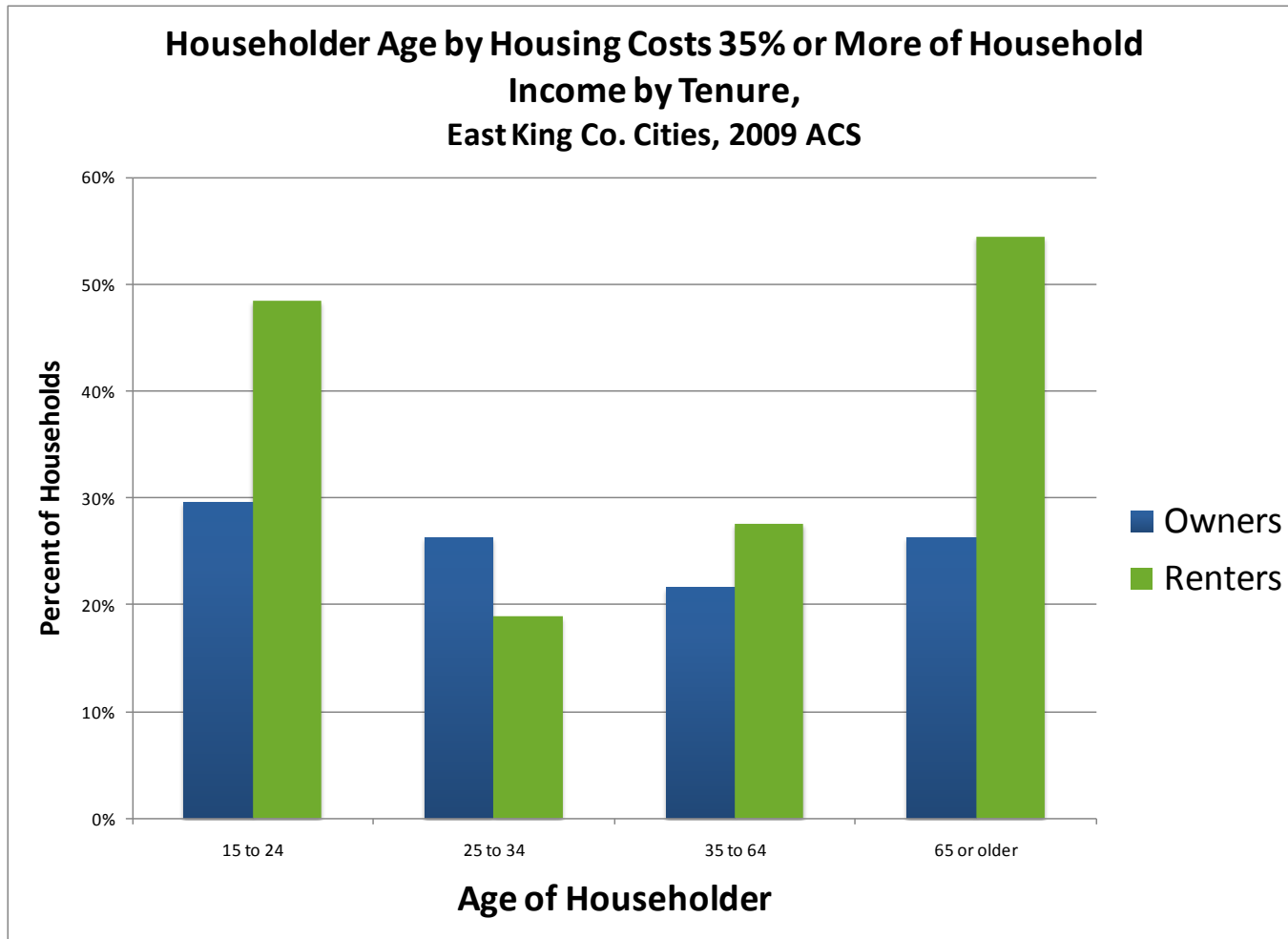


Housing Costs as a Percent of Income



Percent of Household income paid toward housing

Cost-burdened Households



Existing conditions: Housing Supply

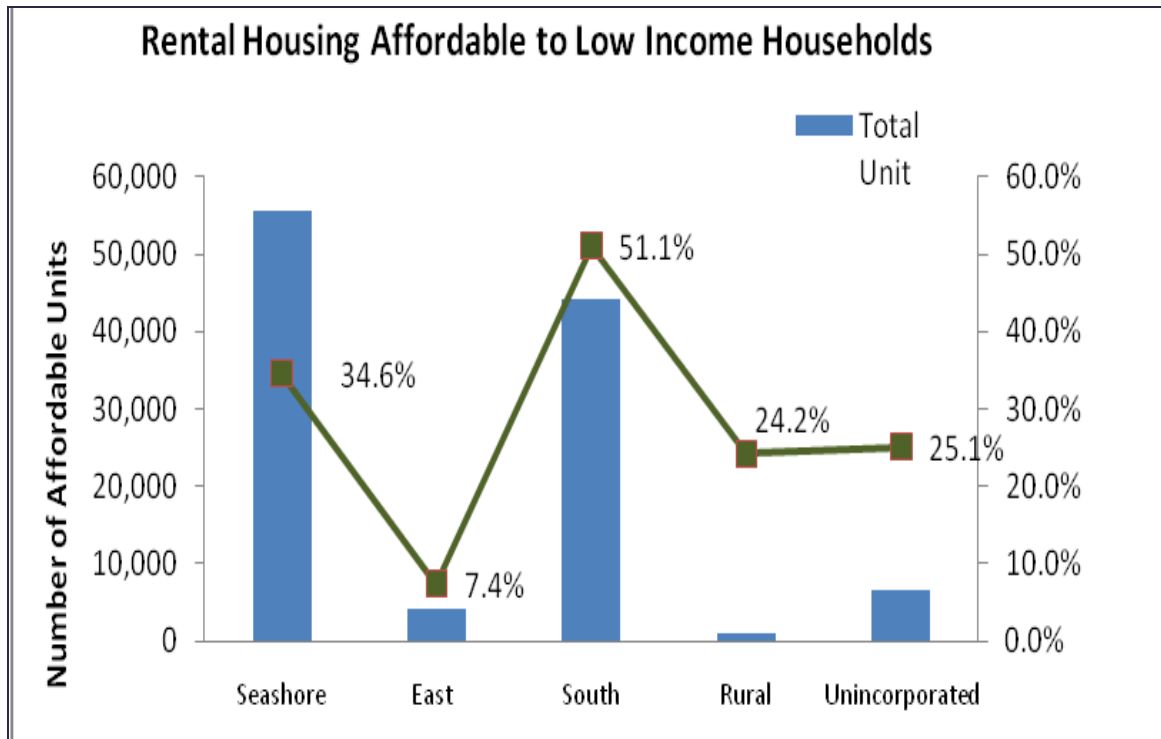


Rental Housing:

- Average rents are affordable to moderate-income households.
- However rents in East King County are relatively high.
- Over the past 10 years, rent increases have essentially matched increase in median income.

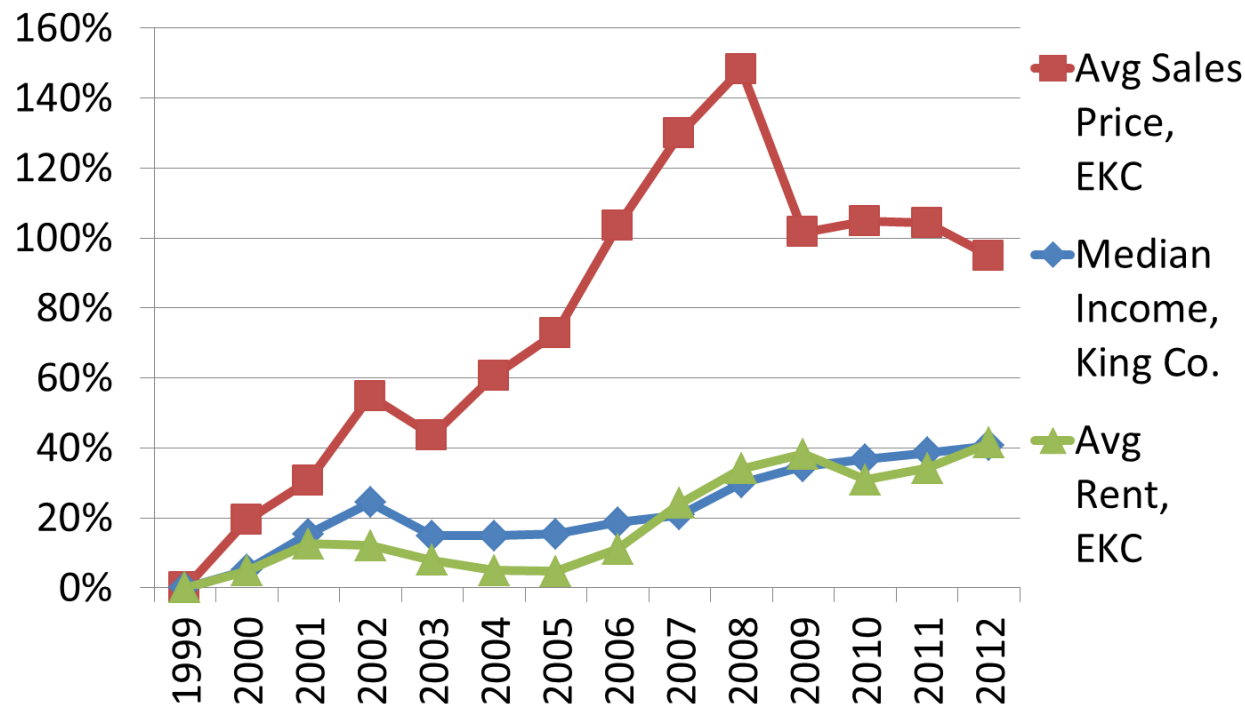
Existing conditions: Housing Supply

Rental Housing Affordability



East King County has a low proportion of rental housing affordable to very low and low-income households and ownership housing affordable to moderate incomes.

Income, Rents, and Home Prices

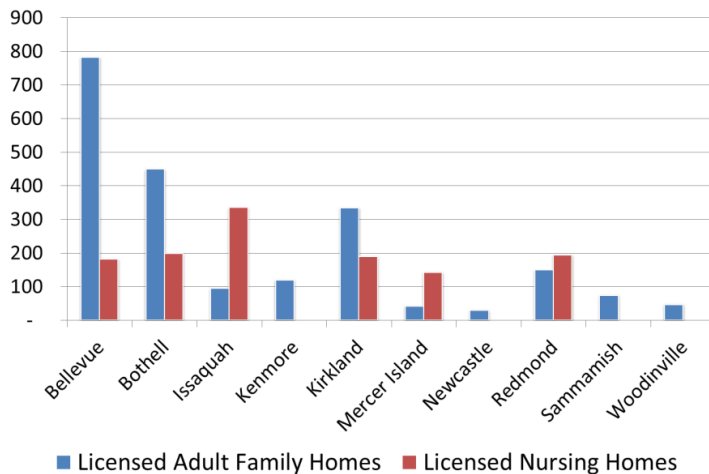


Even with a decrease in prices over the past couple years, home prices have increased faster than income over the last 10+ years.

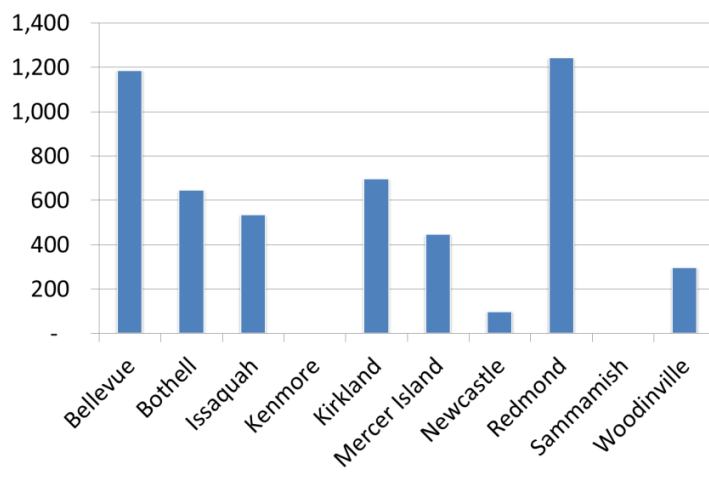
Housing Targeted For Seniors



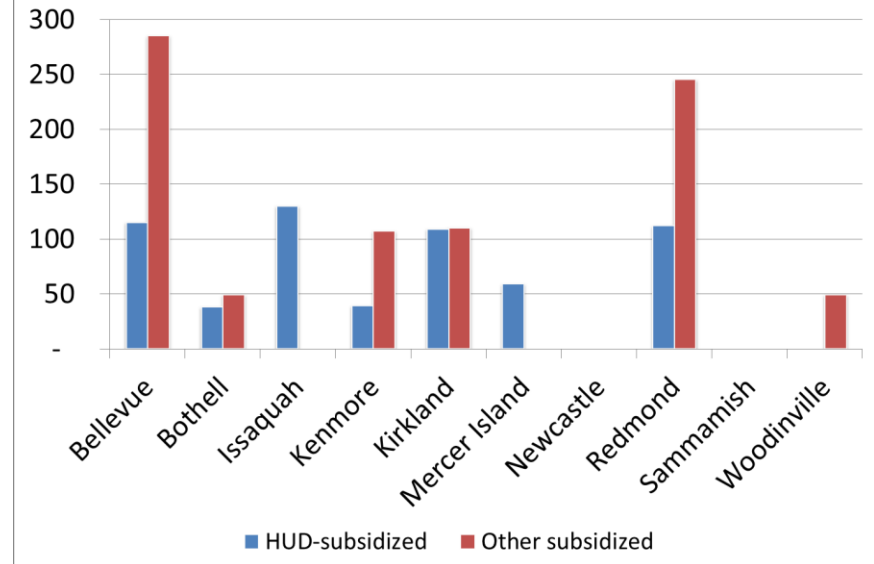
Beds in Adult Family Homes and Nursing Homes, 2011



Beds in Assisted Living Facilities, 2011



Housing Units Held Affordable for Seniors, 2011

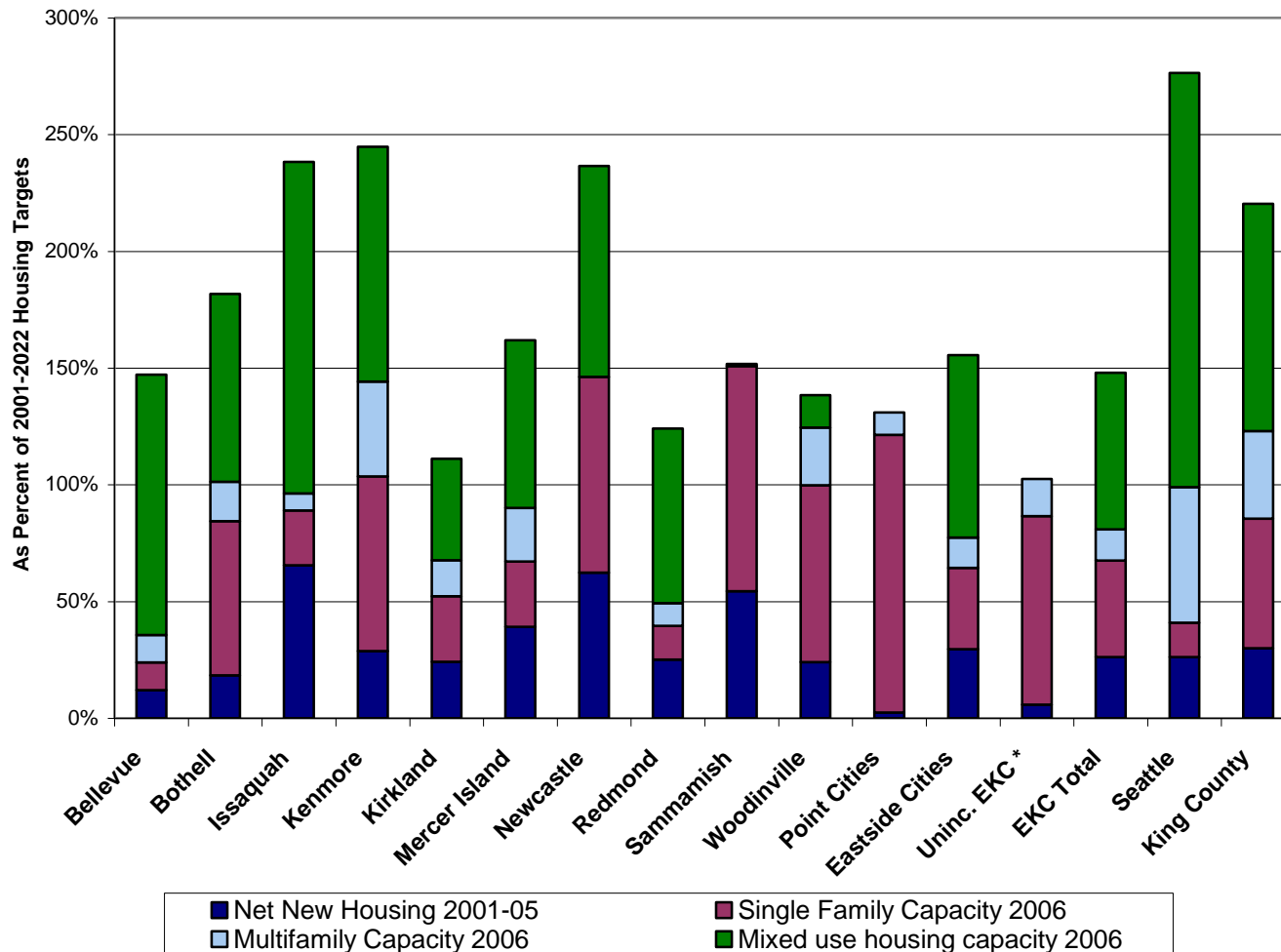


Housing Production Trends: Overall

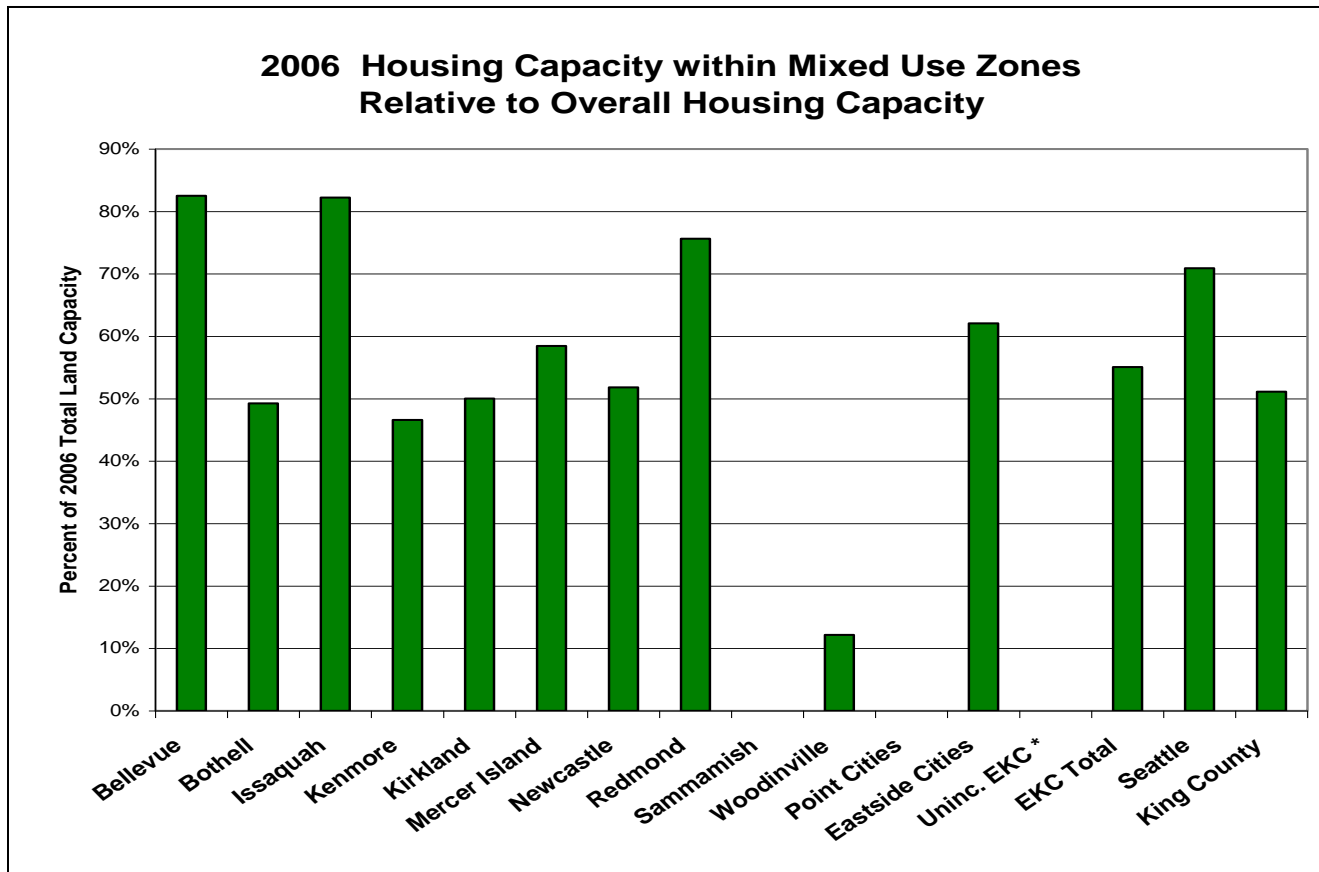


- **Progress toward Housing Goals.** Collectively, Eastside cities have been meeting their 2001-2022 housing planning targets.
- **Homeownership Rates.** Homeownership across EKC is back to about the same level as in 1990 after rising for several years. Over the past 20 years condominiums have been an increasing portion of ownership housing.
- **Capacity to Meet Housing Goals.** When including mixed-use zones, all Eastside cities have capacity to achieve their 2022 housing targets.

Percent of Housing Targets



Housing Capacity in Mixed-Use Zones



In East King County over 50% of residential capacity and 80% of multi-family capacity is in mixed-use zones.

East King County Trends: Housing Capacity Summary Findings



Housing Capacity in Mixed-Use Zones:

- Much of the capacity for future housing growth is in areas zoned for mixed-use. This can provide opportunities for creating more sustainable communities.
- The first generation of housing in urban centers has been relatively expensive.
- Could place more emphasis on cities being more proactive in developing strategies to increase a range of types and affordability of housing in centers.

Housing Production Trends: Affordability



- Eastside cities cumulatively have managed to almost meet the combined moderate-income goal, using a variety of approaches.
- A high proportion of moderate-income units are smaller, rental units.
- Have met less than a third of the combined low-income goal, and essentially all have needed direct assistance.

Affordable Housing Created



City	Low Income (50% of Median Income)				Moderate Income (80% of Median Income)				Total Low- and Moderate- Income
	Direct	Land Use	Market	Sub-total	Direct	Land Use	Market	Sub-total	
	Assistance	Incentives			Assistance	Incentives			
Beaux Arts	0	0	0	0	0	1	0	1	1
Bellevue	850	0	8	858	582	323	1,152	2,057	2,914
Bothell	115	0	0	115	60	2	653	715	829
Clyde Hill	3	0	0	3	1	3	0	4	7
Hunts Point	0	0	0	0	0	0	0	0	0
Issaquah	227	0	0	227	66	137	133	336	563
Kenmore	72	0	0	72	85	25	51	161	233
Kirkland	215	0	43	258	143	141	206	490	748
Medina	2	0	0	2	0	1	0	1	4
Mercer Island	61	0	0	61	3	206	10	219	279
Newcastle	22	0	0	22	2	15	0	17	39
Redmond	292	4	0	296	401	181	340	922	1,218
Sammamish	9	0	0	9	1	2	0	3	12
Woodinville	71	0	0	71	1	33	153	187	258
Yarrow Point	0	0	0	0	0	0	0	0	0
TOTAL	1,940	4	51	1,995	1,344	1,070	2,698	5,112	7,107



Neighborhood Issues / Opportunities

Mixed-use Residential Neighborhoods:

- Over 80% of city's housing capacity.
- Two primary areas: Downtown, Bel-Red.
- Address a full range of housing needs – diversity/affordability.
- Potential impact on existing housing:
Take redevelopment pressure off existing relatively affordable housing?



Neighborhood Issues / Opportunities



Residential Neighborhoods:

- Allow / encourage reinvestment.
- Opportunities for more diversity of housing:
 - Cottages, multiplexes, ADUs.
 - Allow “aging in place.”



Strategies and Tools



- Direct Local Support:
 - Direct funding: ARCH Trust Fund.
 - Other forms: Land Donation, Fee Waiver.
- Direct Support by other Public/Private.
- Incentives for Affordable Housing.
- Regulations to Increase Housing Diversity.

Sample Housing Strategies



Increase Housing Diversity

- Eliminate units-per-acre zoning, or replace with floor-area ratio limits (Redmond, Bel-Red).
- Cluster subdivisions, lot size averaging, multiplexes, or cottages (Kirkland, Redmond).
- Duplexes in single family neighborhoods (Sammamish).
- SROs or “mini-suites” (Redmond).



Sample Housing Strategies



Incentives for Affordable Housing:

- Voluntary increased development capacity (e.g. height) with affordability (Bel-Red, Mercer Island)
- Up-zones with affordability required (Kirkland, Redmond).
- Accessory Dwelling Unit, (especially Mercer Island).
- Multi-family Property Tax Exemption (Kirkland, Mercer Island).
- Impact Fee Waivers (Bellevue, Issaquah, Kirkland).



Sample Housing Strategies

Direct Housing Support:

- Acquiring surplus federal “Coast Guard” parcel (Redmond).
- Other land donations (Sammamish, Bellevue, King County).
- Waiving/reducing impact or permit fees (or both):
 - Habitat, Village at Overlake, Avon Villa.
- Use general revenue and CDBG to fund new affordable housing and preserve existing affordable housing through ARCH Housing Trust Fund.



Direct Support: Housing Trust Fund



- Total Local Assistance \$39,180,000 *
- Total Number of Units 2,834
- Long Term Goal:
 - Families (incl. single households) 56% (58.4%)
 - Senior 19% (16.9%)
 - Homeless/transitional 13% (16.9%)
 - Special Needs populations 12% (7.7%)
- Geographic Goal:
 - Geographic balance of projects among cities.
 - * Total project costs over \$350 million

HOUSING NEEDS ANALYSIS



QUESTIONS?

COMMENTS?

FOLLOW UP ITEMS?